

TOWNSEND AND TOWNSEND AND CREW LLP  
LEIGH A. KIRMSSÉ (State Bar No. 161929)  
GREGORY P. FARNHAM (State Bar No. 118184)  
Two Embarcadero Center, Eighth Floor  
San Francisco, California 94111  
Telephone: (415) 576-0200  
Facsimile: (415) 576-0300

Attorneys for Plaintiff  
DENOVA HOMES INC.

UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

DENOVA HOMES INC.,

Plaintiff,

v.

CERTAIN UNDERWRITERS AT LLOYD'S  
LONDON, et al.,

Defendants.

Case No. C 05-4114 SBA

**STIPULATION AND ORDER RE  
DISMISSAL OF DEFENDANT  
DEVONSHIRE GROUP, INC.**

CERTAIN UNDERWRITERS AT LLOYD'S  
LONDON,

Counterclaimant,

v.

DENOVA HOMES INC., et al.,

Counterdefendants.

IT IS HEREBY STIPULATED AND AGREED by and between Plaintiff and  
Counterdefendant DENOVA HOMES INC. ("DeNova Homes"), Defendant and Counterclaimant  
CERTAIN UNDERWRITERS AT LLOYD'S, LONDON ("Lloyd's"), and Defendant DEVONSHIRE  
GROUP, INC. ("Devonshire"), through their respective undersigned counsel, as follows:

1. Pursuant to Fed. R. Civ. P. 41(a)(1), Devonshire is hereby dismissed from this action.

2. Devonshire acted solely as an agent for Lloyd's with respect to the subject matter of the Complaint and Counterclaim in this action.

3. To the extent, if any, that liability results from the acts, statements, and/or omissions of Devonshire with respect to the subject matter of the Complaint and Counterclaim in this action, that liability attaches solely to Lloyd's, as Devonshire's principal.

DATED: December 22, 2005

TOWNSEND AND TOWNSEND AND CREW LLP

By: /s/ Leigh A. Kirmssé

Leigh A. Kirmssé

Gregory P. Farnham

Attorneys for Plaintiff and Counterdefendant

DeNova Homes Inc.

DATED: December 28, 2005

ADLER LAW GROUP

By: /s/ Erwin E. Adler

Erwin E. Adler

Elizabeth A. Sullivan

Attorneys for Defendant and Counterclaimant

Certain Underwriters at Lloyd's London

and Defendant Devonshire Group, Inc.

PURSUANT TO STIPULATION, IT IS SO ORDERED.

DATED: 1/3/06



Hon. Sandra B. Armstrong  
United States District Judge

60648592 v1